GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA

UNSTARRED QUESTION NO:5159
ANSWERED ON:27.04.2000
CURBING OF EXPENDITURE
SULTAN SALAHUDDIN OWAISI

Will the Minister of RAILWAYS be pleased to state:

(a) Whether attention of the Government has been drawn to the news item captioned `Railways save Rs. 850 crores` appearing in 'The Hindustan Times' dated March, 10, 2000 at page no. 12;

(b) If so, the factual position in this regard;

(c) Whether her Ministry has taken additional steps to curb more expenditure in Railways;

(d) If so, the details thereof and short terms and long terms strategy chalked out by the Railways in this regard;

(e) Whether any target has been fixed for current year; and

(f) If so, the details thereof ?

Answer

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI DIGVIJAY SINGH)

(a) Yes, Sir.

(b) & (c) The post-budgetary developments of levy of cess and hike in price of diesel oil, retrospective revision of tariff by some of the State Electricity Boards, higher rates of incentive bonus to workshop staff, revision of family planning allowance, damage caused by Orissa cyclone etc. had put an additional burden of around Rs. 900 cr on the Ordinary Working Expenses of the Railways during 1999-2000. The Railways have been able to absorb the impact of these post-budgetary increases within the existing provisions for Ordinary Working Expenses through implementation of an Action Plan aimed at reducing the expenditure through economy and austerity measures.

(d) Reduction of expenditure as compared to the budget estimates has been taken into account in staff costs, cost of materials and other miscellaneous items; in respect of fuel the increase on account of revision of duty and prices has been partially compensated by reduction in consumption.

The long term strategy of the Railways is based upon better man-power management for improving per capita productivity, improving specific fuel consumption and asset utilisation, better inventory control and austerity in areas of hospitality, publicity, advertisements, etc. Further, expenditure management by regular monitoring against monthly targets based upon spending limits and by regulation of cash outgo is being followed to enforce budgetary control.

(e) & (f) The Railways will continue to implement economy and austerity measures in the current year too. The Zonal Railways' budget allotment for 2000-01 under Ordinary Working Expenses has tentatively been reduced by 5%. A strict control over expenditure will be maintained.